

Presumptive Eligibility: New Options in 2014

Successfully connecting millions of Americans to health coverage starting in October 2013 will require many different outreach and enrollment strategies. Hospitals and other human services providers will play a critical role in enrolling the uninsured, and beginning in 2014, they will have new opportunities to use presumptive eligibility to quickly enroll consumers in Medicaid.¹

What is Presumptive Eligibility?

With presumptive eligibility, an individual or family can be temporarily enrolled in Medicaid (or CHIP, if applicable) immediately if it appears they are eligible. They simply need to provide a few pieces of information—name, household size, and estimated monthly income—and a presumptive eligibility determination can be made.

Presumptive eligibility began in the 1990s as a way for pregnant women and children to receive Medicaid coverage for important health services like prenatal care and well-child visits while waiting for a full Medicaid eligibility determination to be processed. Its popularity has grown over the years, and it is widely used today. Thirty-one states currently use presumptive eligibility for pregnant women, and 16 states use it for children.²

Ways to Use Presumptive Eligibility

Starting in 2014, there will be new options for states and for hospitals to use presumptive eligibility to connect more people to coverage:

Permitted
Now

State option to allow children and pregnant women to temporarily enroll in Medicaid or CHIP

New in
2014

State option to allow adults to temporarily enroll in Medicaid (as long as the state also uses presumptive eligibility for children or pregnant women)

Hospital option to temporarily enroll children and adults in Medicaid (regardless of whether the state has adopted the option)

Key Facts about Presumptive Eligibility

- Allows individuals to begin the enrollment process at the point of service—like a hospital or health center—when they are naturally thinking about health coverage.
- Can be used even when IT systems are down, or when an individual can't get a real-time determination using the new single, streamlined application for coverage.
- Allows providers to be paid for the services they provide during the temporary eligibility period.
- Hospitals can use it starting in 2014, **even if their state has not taken up the option.**

Frequently Asked Questions about Presumptive Eligibility

What is presumptive eligibility?

An individual or family can provide a few simple pieces of information—name, household size, and estimated monthly income—and if it appears likely that the household income is below the Medicaid income eligibility threshold, the individual can be temporarily enrolled in Medicaid (or CHIP, if applicable) immediately.

Do individuals need to verify their income for presumptive eligibility?

No. The determination is made based on the individual's attestation of their family circumstances.

How long does the temporary eligibility period last?

A person can stay temporarily enrolled until the end of the month following the month when the presumptive eligibility determination was made. The person should complete the single, streamlined application and receive a full eligibility determination to avoid losing coverage when the temporary eligibility period ends. States can extend the temporary eligibility period if the application is still being processed.

How do providers get paid for services delivered during the temporary eligibility period?

Providers get paid the regular Medicaid rates for any services provided during the temporary eligibility period, even if the person is eventually found ineligible for Medicaid.

Who can determine someone presumptively eligible?

States that use presumptive eligibility get to choose which entities are allowed to make presumptive eligibility determinations. Examples of these "qualified entities" include hospitals, doctor's offices, clinics, schools, and local health departments. In addition, starting in 2014, **all hospitals that accept Medicaid patients will be allowed to use presumptive eligibility, regardless of whether or not the state adopts the option for other settings.**

Can hospitals use presumptive eligibility even if the state does not?

Yes. This is a new option available starting in 2014. Even if a state is not using presumptive eligibility in other settings, hospitals that accept Medicaid patients have the unique authority to make presumptive Medicaid eligibility determinations for anyone who appears eligible on the basis of income.

Does a state need to expand Medicaid to use the new presumptive eligibility options?

No. This tool is available for states and hospitals to use with anyone eligible for Medicaid on the basis of income.

Can presumptive eligibility be used to enroll people in coverage through a health insurance exchange?

No. This tool is only available to connect individuals to Medicaid and CHIP coverage.

Why would presumptive eligibility be useful if the new application for coverage works in real time?

The new single, streamlined application for coverage will provide real-time eligibility determinations for many people. In these cases, presumptive eligibility will not be necessary. However, if additional verification is needed, or the application needs to be handed off from one agency to another (e.g., from an exchange to Medicaid), there could be a delay between when the individual applies and when a final eligibility determination is made. Presumptive eligibility allows the individual to immediately begin receiving needed health care services and allows the provider to be paid for those services.

¹ Patient Protection and Affordable Care Act, Public Law 111-148 (March 23, 2010), as modified by the Health Care and Education Reconciliation Act of 2010, Public Law 111-152 (March 30, 2010), Title 2, Subtitle A, Section 2001(a)(4)(B) and Title 2, Subtitle A, Section 2202.

² Martha Heberlein, Tricia Brooks, Jocelyn Guyer, Samantha Artiga, and Jessica Stephens, *Performing Under Pressure: Annual Findings of a 50-State Survey of Eligibility, Enrollment, Renewal, and Cost-Sharing Policies in Medicaid and CHIP, 2011-2012* (Washington: Kaiser Commission on Medicaid and the Uninsured, January 2012).